

MEMORANDUM OF UNDERSTANDING
AMONG THE DEPARTMENT OF ARMY,
THE STATE OF OHIO, AND
THE RIVER VALLEY LOCAL SCHOOL DISTRICT

This Memorandum of Understanding (hereinafter referred to as the MOU), entered by and among the DEPARTMENT OF THE ARMY (hereinafter referred to as the "Army"), represented by Deputy Assistant Secretary of the Army for Environment, Safety and Occupational Health, Raymond J. Fatz, STATE OF OHIO (hereinafter the "State") represented by the Director of the Ohio Environmental Protection Agency, Christopher Jones, and the RIVER VALLEY LOCAL SCHOOL DISTRICT (hereinafter "RVLSD"), represented by the President and Superintendent of the River Valley Local School District Board of Education, Robert Haas and Thomas G. Shade respectively. The Army, the State and RVLSD are sometimes herein collectively referred to as the "Parties".

Consistent with legislation having been passed that authorizes the use of funds from the Environmental Restoration account for Formerly Used Defense Sites to pay for the costs of permanently relocating facilities and improvements because of a release or threatened release of hazardous substances, pollutants, or contaminants from real property or facilities that were under the jurisdiction of the Secretary of Defense at the time of the actions leading to such release or threatened release, and subject to 1) the requirements of such legislation including cost effectiveness, 2) fiscal and funds limitations and 3) requirement to enter into a Cooperative Agreement to be signed among the parties, the undersigned representatives of the Parties agree in principle on the following:

1. The Army agrees to pay up to 15 Million dollars (\$15,000,000.00) towards the costs of permanently relocating the facilities and improvements owned by the River Valley Local School District on property located at 1239 Columbus-Sandusky Road North, Marion, Ohio 43302-8598 (the "Property").
2. The State agrees to contribute funding toward the relocation cost of the RVLSD facilities consistent with state law and programs for which the RVLSD is eligible. This will include 21% of the portion of facility costs that are eligible for State participation under the applicable program as set forth in the Ohio School Facilities Commission Design Manual projected to be approximately four million three hundred thousand (\$4,300,000.00) based on 1999 construction estimates. The State also agrees to pay RVLSD approximately three million five hundred thousand dollars (\$3,500,000.00). Adjustments for inflation subject to Ohio Revised Code Chapter 3318 will be made with respect to the State's contributions toward the elementary schools.
3. RVLSD agrees to seek passage of a bond levy by its voters sufficient for RVLSD to meet its financial obligations related to the relocation and replacement costs.

4. RVLSD agrees to exercise its best efforts to permanently relocate all RVLSD operations on the Property by fall of 2003.
5. The Army agrees to exercise its best efforts subject to availability of funds to complete remediation of the Property by fall of 2005.
6. The Parties agree that the future use of the property will be limited to industrial/commercial use and cleanup criteria will be risk based consistent with the industrial/commercial future use restriction. Clean up will be consistent with the Comprehensive Environmental Response Conservation and Liability Act (CERCLA) and applicable state law.
7. RVLSD agrees to refrain from filing a lawsuit based on its notice of tort claim dated August 31, 1999 currently pending before the Army Claims Service. The Army agrees to defer taking final action on RVLSD's tort claim so long as RVLSD and the Army are proceeding with efforts to relocate the existing school facilities. Once the Army has made full payment under the terms of this agreement and the Co-operative Agreement referenced below, RVLSD agrees to withdraw its notice of tort claim dated August 31, 1999 and sign Covenant Not to Sue the United States for any damages to RVLSD property alleged to have been caused by the Army.
8. The Parties agree to enter into a Cooperative Agreement to serve as a mechanism to execute the intent and commitment of the parties outlined in this MOU. The Cooperative Agreement shall include specific terms on methods, conditions, limitations and terms of payment and shall be consistent with the statute and this MOU.

THE DEPARTMENT OF THE ARMY

BY: Raymond J. Fatz
Raymond J. Fatz
Deputy Assistant Secretary of the Army
(Environment, Safety, and Occupational Health)
OASA (I&E)

DATE: 08 Dec 2000

STATE OF OHIO

BY: Christopher Jones
Christopher Jones, Director
Ohio Environmental Protection Agency

DATE: 12-12-00